

Message Text

CONFIDENTIAL

PAGE 01 JIDDA 03426 150920Z

43 S

ACTION NEA-09

INFO OCT-01 ISO-00 SS-15 SP-02 EB-07 PM-03 INR-07 CIAE-00

/044 W

----- 030943

R 150545Z MAY 75

FM AMEMBASSY JIDDA

TO SECSTATE WASHDC 1224

C O N F I D E N T I A L JIDDA 3426

E.O. 11652: GDS

TAGS: PFOR, SA, US

SUBJECT: COE INVOLVEMENT IN LOW-COST HOUSING FOR SAUDI ARABIA

REF STATE 108696

SUMMARY: CROWN PRINCE FAHD WANTS COE TO BE INVOLVED IN HOUSING PROGRAM AND AGREES THAT PORTS SHOULD BE BEGINNING POINT FOR THEIR EFFORTS. EMBASSY FEELS THAT ON LOW-COST HOUSING, PLANS SHOULD BE KEYED TO SPECIALIST COMPANIES INVOLVING VARIOUS PHASES OF CONSTRUCTION POSSIBLY OF COMPLETE NEW SATELLITE TOWNSHIPS, BUT WITH EMPHASIS ON DESIGNS THAT TAKE INTO ACCOUNT EVERY POSSIBLE SAUDI SOCIAL AND CULTURAL LIVING PATTERN. REGARDING PORTS, POTENTIAL FOR PRIVATE U.S. FIRMS TO BUILD WHOLE NEW PORT-OF-ENTRY SYSTEMS AS WELL AS UPGRADING EXISTING MANAGEMENT AND CUSTOMS CLEARANCE PROCEDURES AT OLD PORTS SHOULD BE CONSIDERED. END SUMMARY

1. DEPUTY PRIME MINISTER AND CROWN PRINCE FHAD DISCUSSED MAY 12 WITH THE AMBASSADOR SAUDI NEEDS FOR ASSISTANCE IN DEVELOPMENT PROJECTS. PRIME MINISTER LISTENED TO THE MESSAGE FROM SECRETARY KISSINGER REGARDING PROPOSED ASSISTANCE ON PUBLIC HOUSING, REMARKED UPON THE COINCIDENCE OF THINKING BETWEEN HIMSELF AND THE SECRETARY, AND ASCRIBED IT TO "TELEPATHIC EFFECTS." THE AMBASSADOR SUGGESTED THAT BEFORE SUCH HUGE DEVELOPMENT PROJECTS COULD BE REALIZED, FIRST PRIORITY SHOULD BE GIVEN TO
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 JIDDA 03426 150920Z

INCREASING THE NUMBER OF PORTS AND VASTLY BETTER

UTILIZATION OF EXISTING ONES. FAHD AGREED AND EXPLAINED THAT THE COOPERATION OF THE U.S. CORPS OF ENGINEERS WOULD BE INVALUABLE IN TERMS OF SAUDI DEVELOPMENT IN BOTH CASES. HE EXPLAINED THAT HE WANTED "FRIENDLY GOVERNMENTS" TO COOPERATE WITH SAUDI ARABIA IN DEVELOPING PLANS PRIMARILY BECAUSE THOSE GOVERNMENTS WERE IN A BETTER POSITION TO DETERMINE WHICH OF THEIR COMPANIES WERE MOST CAPABLE AND TRUSTED. HE DID NOT WANT SMALL, UNTRIED COMPANIES TO TEST OUT THEIR THEORIES ON SAUDI ARABIA.

2. CURRENT THINKING AT THE EMBASSY IS THAT LOW-COST HOUSING PLAN SHOULD BE KEYED TO SPECIALIST COMPANIES OPERATING ON VARIOUS PHASES OF CONSTRUCTION, PERHAPS BUILDING COMPLETE NEW SATELLITE TOWNSHIPS BUT WITH STRONG EMPHASIS ON DESIGNS THAT WILL TAKE EVERY POSSIBLE SAUDI SOCIAL AND CULTURAL LIVING PATTERN INTO CONSIDERATION. PRIME MINISTER HAD SUGGESTED THE POSSIBILITY OF ASSIGNING ONE OR MORE COMPANIES TO VARIOUS AREAS OF SAUDI ARABIA TO BUILD SUCH HOUSING. UNLESS IT IS POSSIBLE TO USE THESE CONCEPTS AND IDEAS WITHOUT LOSING MOMENTUM AND WITHOUT BUILDING WHITE ELEPHANTS, WE SHOULD NOT ENTER INTO THESE PROJECTS.

3. REGARDING PORTS, A FEW PRIVATE U.S. FIRMS HAVE ALREADY LOOKED INTO PORT CONSTRUCTION PROBLEMS IN SAUDI ARABIA. A HIGHLY IMAGINATIVE PROJECT HAS BEEN TENTATIVELY PROPOSED BY RAYMOND INTERNATIONAL FOR BUILDING ONE OR MORE NEW COMPLETE PORT-OF-ENTRY SYSTEMS. BEGIN COMMERCIAL CONFIDENTIAL: RAYMOND INTERNATIONAL REPRESENTATIVE DURING A RECENT VISIT PROVED TO BE NOT WELL CHOSEN AND WE ARE TOLD AROUSED CONSIDERABLE RESENTMENT IN INTERVIEWS. THE COMPANY SHOULD BE ENCOURAGED TO SEND OUT A NEW MAN WHO WOULD BE A BETTER LISTENER, MORE TACTFUL, AND LESS BLUNT WITH SAUDIS. END OF COMMERCIAL CONFIDENTIAL.

4. THE OTHER PROBLEM BESIDES BUILDING WHOLE NEW PORT-OF-ENTRY SYSTEMS IS TO UPGRADE EXISTING MANAGEMENT AND CUSTOMS CLEARANCE PROCEDURES AT THE OLD PORTS. IDEAS ON THIS HAVE BEEN BEGUN BY PORT AND CUSTOMS
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 JIDDA 03426 150920Z

EXPERTS SENT OUT BY THE ECONOMIC COMMISSION AND WE PRESUME BOTH THE CORPS OF ENGINEERS AND THE ARMY PORT TEAM WILL ALSO CONTRIBUTE TO A SYSTEMS ANALYSIS OF THE PRESENT PORTS.

5. WE VERY MUCH WELCOME THE NEW CORPS OF ENGINEERS INITIATIVES IN BOTH HOUSING AND IN PORT CONSTRUCTION IN SAUDI ARABIA. EMBASSY WILL WISH TO BE KEPT IN-

FORMED AND HAS DESIGNATED ECONOMIC OFFICER DUANE
BUTCHER AS KEY MAN ON THESE SUBJECTS.
AKINS

NOTE BY OC/T: DISTRIBUTION COORDINATED WITH S/S-O, MS. MATTESON.

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: CONSTRUCTION, HOUSING
Control Number: n/a
Copy: SINGLE
Draft Date: 15 MAY 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: woolflhd
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975JIDDA03426
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D750171-0379
From: JIDDA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750550/aaaabsvb.tel
Line Count: 120
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION NEA
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 75 STATE 108696
Review Action: RELEASED, APPROVED
Review Authority: woolflhd
Review Comment: n/a
Review Content Flags:
Review Date: 20 AUG 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <20 AUG 2003 by KelleyW0>; APPROVED <22 DEC 2003 by woolflhd>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
05 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: COE INVOLVEMENT IN LOW-COST HOUSING FOR SAUDI ARABIA
TAGS: PFOR, SA, US, USA CORPS OF ENGINEERS
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006